Building a Global Asian Fashion Brand

By

Michele Ng

An honors thesis submitted in partial fulfillment

of the requirements for the degree of

Bachelor of Science

Undergraduate College

Leonard N. Stern School of Business

New York University

May 2008

Professor Marti G. Subrahmanyam, *Faculty Advisor*

Professor Durairaj Maheswaran, *Thesis Advisor*

Abstract:

Many studies have been carried out on why there has been a lack of successful Asian global brands and the key issues companies need to focus on in order to improve. However, few have concentrated on the unique requirements for *fashion* brands. In addition, while research on Asian garment industries have emphasized the need to shift from original equipment manufacturing to original brand manufacturing, few have elaborated further on how countries can improve their abilities to produce global fashion brands. By exploring the reasons for the lack of global Asian fashion brands, analyzing current influences on the fashion industry and examining present Asian fashion brands, this paper will attempt to distill the key factors necessary for the development of global Asian fashion brands from a company and country standpoint. We posit that the success of a country's fashion industry is dependent not only on company factors, but also country factors and outline ways in which this synergy could be achieved.

TABLE OF CONTENTS

Introduction

When it comes to internationally renowned fashion designers and brands, it is usually names from the major fashion centers of Paris, Milan and New York that come to mind. Although there have been a number of acclaimed Japanese designers from the 1980s onwards[1], newly industrialized Asian countries have not been able to generate as many internationally successful fashion brands and designs. This is rather surprising given Asia's seemingly conducive environment for the development of the fashion industry.

Many studies have been done on the lack of Asian global brands and key issues for companies to focus on (Ewing et al, 2001; Roll, 2006). These studies emphasize the need for management to focus on company branding. However, few have concentrated on the unique requirements for *fashion* brands. Certain country factors such as education and resources are not addressed as most Asian brands focused on are from established local industries such as automobiles, consumer electronics or services. These industries are well-developed in the newly industrialized Asian countries but the same cannot be said for fashion. Research on apparel manufacturing countries in Asia have emphasized the need to shift from original equipment manufacturing to original brand manufacturing but few have elaborated further on how countries can improve their abilities to produce global fashion brands.

This paper will attempt to distill the key factors necessary for the development of global Asian fashion brands from a company and country standpoint. We posit that both company and country conditions are equally important in allowing a country to propagate fashion talents in the likes of Paris, Milan and New York. In the fashion industry where branding is key, the positive brand image of a country could help to reinforce a brand. Domestic institutions have the capacity

---

[1] Japanese fashion designers such as Hanae Mori, Yohji Yamamoto, Issey Miyake and Rei Kuwakubo are fashion iconoclasts from the 1960s to 1980s that continue to remain well-received in the international fashion scene today (Miura, 2006).

to further aid in new product development through the provision of resources and infrastructure. In addition, countries provide the invaluable asset of mature fashion markets. Similarly, we will argue that successful local talents can aid in cultivating a country's future brand successes through apprenticeship and internships which are critical in the fashion industry.

This paper will be structured as follows. First, we will explore the reasons for the lack of a global presence of Asian fashion brands in the past and at present. Second, the changing circumstances of conditions influencing the fashion world will be outlined. We posit that these are circumstances that Asian countries such as Singapore and Hong Kong can capitalize on to develop more acclaimed fashion talent. Third, we will look at the current position of successful Asian fashion brands using Crane's categorizations of luxury fashion, industrial fashion and street styles (Crane, 2000). A further analysis of interviews and editorials will be carried out to illuminate pressing challenges faced by newly industrialized Asian countries. Fourth, on the basis of these analyses, we will argue that the success of a country's fashion industry is dependent not only on company factors, but also country factors. Favorable domestic institutions can act as a catalyst in pushing forward Asian brands into the global arena. We emphasize the importance of this interdependence and outline ways in which this synergy can be achieved. Finally, we will conclude and discuss implications for the future.

I. Reasons for the lack of global Asian fashion brands

At first glance, it is rather puzzling that East Asian fashion (with the exception of Japan) has had such limited success in the global market despite seemingly 'favorable' conditions. First, due to rapid economic progress, Asian consumers' increasing purchasing power has made it the largest market for luxury brands at present (KPMG, 2006). It seems intuitive then that this unmet

consumer demand would foster the growth of *domestic* firms or designers in the market. This has however not been the case. Second, Asia has historically had an important presence in both garment production and exports. Countries such as China and the Republic of Korea have been heavily involved in global apparel exports since the 1980s with other Asian countries following suit over the years (Gereffi, 2002). One would sensibly posit that this existing link would lead to a similar proliferation of Asian fashion brands into Western markets. This, again, has not been the case. A fundamental question of this paper, then, is simply why Asian fashion houses have lagged so far behind their Western competitors. We argue that this failure is due to (a) an over-reliance on low-cost mass-production techniques and (b) the lack of support for fashion designers.

(a) Over-reliance

Many Asian countries have relied on garment manufacturing and exports in stimulating economic development. As such, apparel production has often been based on price as a competitive factor. However, production is always shifted to lower-cost countries in a race to the bottom for sustainability. In 1980, the main global apparel exporters in Asia consisted of the People's Republic of China; Hong Kong, China; Korea; Taipei, China (Gereffi, 2002). By 1990, apparel production was outsourced to Indonesia, Malaysia, Thailand, India and Pakistan on a large scale (Gereffi, 2002). In 1998, the next wave of countries including Philippines, Vietnam, Bangladesh and Sri Lanka were added to the list as the costs in the original countries progressively increased in line with economic growth (Gereffi, 2002). Hence, new competitive advantages need to be developed by industrializing Asian countries which can no longer rely on low cost as an effective strategy.

In this shift starting from the 1970s, the East Asian Newly Industrializing Countries (NICs) initiated triangle manufacturing (Jin, 2004). Through this process, these countries would receive orders from their original buyers from the United States and subcontract the requested production to factories in these lower-wage locations (Jin, 2004). This arrangement allowed for the Asian NIC to develop its position in the buyer-driven commodity chain to that of a facilitator, further allowing it to move beyond original equipment manufacturing (Jin, 2004).

However, this shift towards the role of a facilitator is insufficient as a sole competitive advantage in today's fashion industry. Researchers acknowledge the garment industry's place in a buyer-driven commodity chain instead of a producer-driven commodity chain (Gereffi, 1999; Jin, 2004). As a result, it is likely that brand name and ability to organize the production system would be the most important assets to the fashion industry or company.

In a specific discussion of the apparel industry in East Asian NICs, Jin (2004) identified integrated system, brand and agility as apparel industry-specific advantages. Jin (2004) then synthesized these factors with NIC apparel company advantages of "triangle manufacturing and sourcing network by social ties" to suggest three competitive factors that will allow NICs to gain a strong foothold in the international fashion scene. These three factors consist of global brand, global sourcing and agility. Asian fashion countries which have moved beyond low-cost garment manufacturing should then look towards developing these competitive advantages instead of simply relying on arranging low-cost production. Countries must also make a concerted effort to move away from a negative low-cost country image and seek to develop quality instead.

(b) Lack of support

In Asian countries such as Hong Kong and Singapore, the establishment of a strong base of fashion talent is hampered in three ways. Firstly, the educational systems in general are

examination focused and place less emphasis on creative and critical thinking which is an important prerequisite for the development of creative talent. Secondly, aspiring designers and entrepreneurs are often discouraged by their parents and the prevailing culture in their pursuit of fashion careers. Lastly, upon entering the fashion industry, designers are sometimes treated as an instrument to satisfy the needs of buyers instead of being given the creative freedom enjoyed by their Western counterparts.

The Singapore educational system has typically focused on producing talents that excel in subjects such as science and mathematics (Smith, 1996; Math, 2006). Less focus is placed on the creative industries such as fashion design. For example, while there are many diploma and certificate courses offered by fashion schools in Singapore, there are only a handful of degree courses[2]. This contrasts strongly with the availability of fashion degree courses offered in cities such as New York and London. Chan et al (2005) acknowledge that the examination-oriented system in Hong Kong hinders the later development of creative ability and environment needed in the fashion industry. An emphasis on fashion education is a fundamental step in producing competent fashion talent and the professional status conferred by degree courses would probably aid in elevating the position of the fashion designer in society.

In newly developed Asian countries, material wealth and income is often valued by society. In addition, there is a continued propensity for Chinese parents to have a significant influence in the educational and career decisions made by the younger generations (Chan et al, 2005). Chan et al found that many designers interviewed had been discouraged to pursue fashion. This is because many working-class and middle-class parents do not view fashion as a source for a secure future. As such, fashion students often face pressures by parents to pursue esteemed

---

[2] Currently, five schools in Singapore offer courses in Fashion Design. The Raffles Design Institute and LaSalle-SIA are the only two schools to offer Bachelor of Arts degrees. LaSalle-SIA is the only school to offer a Master of Arts degree while the remaining three schools only offer diploma courses (Design Singapore).

fields such as medicine or computer science. These pressures may dissuade potential fashion talents from entering the field altogether or delay their entry into the industry if students are required to acquire a 'respectable' degree before being allowed to pursue fashion.

The lack of value placed on fashion designers may be further perpetuated in the industry itself. In Hong Kong, fashion design was established mainly out of the industry's need to upgrade its production in order to remain competitive. As a result, fashion designers often occupy an insignificant position in an organization and are delegated work based on buyer's specifications, given cramped working spaces with little support from a design team (Chan et al, 2005). The low value assigned to designers by businessmen thus hinders the growth of new product development. Asian designers are deprived of the creative freedom that is essential in spurring them into the international fashion scene by carving out new design identities instead of relying on previous design successes (Skov, 2002).

In summary, the major deterrents for the establishment of global Asian fashion brands can be traced to both structural and cultural factors. Newly industrialized countries must overcome the over-reliance on low cost manufacturing and the lack of support for fashion designers respectively in order to develop new tools for competitiveness in the global fashion industry.

II. Changing circumstances and new opportunities

Having discussed the key reasons for the failure of Asian fashion brands on the global stage at present, this section shows that this failure need not be permanent. In fact, there are changing circumstances and new opportunities available to Asia bode well for the future. First, we show that fashion by nature is evolutionary across time and culture. Then, we will argue that due to (a) changing consumer behavior and tastes, (b) the proliferation of the internet, (c) the

development of global sourcing and (d) climate change, the time may be ripe for Asia to take center stage in the new world of fashion.

The Evolution of World Fashion

In the past, fashion from France, Italy and America had flourished around the world due to different circumstances of the time. French couturiers were traditionally seen as the generators of fashion since the launch of the first haute couture fashion brand by Charles Frederick Worth in the 17th century (Krick, 2000). The ability for American designers to enter the international scene developed during World War II where European designs could not reach American shores easily and where many European couture houses closed down (Eubank and Tortora, 2005).

In the 1980s, Japan experienced rapid developments in its electronics and automobile productions which spurred it towards the position of a world economic power. At the same time, Japanese fashion designers opened couture and ready-to-wear houses in the major fashion capitals of Paris, New York and other cities worldwide (Eubank and Tortora, 2005). In the 1983 Paris prêt-a-porter show, Japanese designers such as Issey Miyake, Yohji Yamamoto, Mitsukiro Matsuda and Rei Kuwakubo presented designs that were considerably different from the prevailing fashion trends and attracted the interest of international fashion followers. This brought global attention to Japan and started its rise as an upcoming major fashion center.

In the ranking of Top Fashion Cities in 2007 by Global Language Monitor, three Asian countries have made it to the top ten. They are Tokyo in sixth position, Hong Kong in eighth and Singapore in tenth position (GLM, 2007). These three cities have been increasingly recognized as fashion hubs throughout the world in recent years. As newly industrialized cities such as Hong Kong and Singapore begin to develop their fashion industries and take advantage of changing circumstances and new opportunities, they could be the new powerhouses of the future.

(a) Changing consumer behavior and tastes

The consumers of today have different expectations of fashion. Based on research conducted by the Hong Kong Trade and Industry Department, five key global trends in consumer behavior have been identified. Consumers were found to (i) have become more value conscious, (ii) have become more fickle, (iii) demand a wide, varied product range, (iv) acknowledge brand importance and (v) look for customized products (Chan et. al, 2005).

As consumers become more fashion conscious, there has been a higher demand for customized products. This allows certain savvy consumers to have a unique look to differentiate themselves from the masses, similar to the reasons for the higher-class' demand for couture in the past. Hand-made items designed by almost anyone can be sold online through various channels such as personal blogs or seller sites such as Ebay.com and Etsy.com. Items sold on Etsy.com are usually hand-made and involve only one or two pieces of each design and designs can sometimes be further customized upon request by the customer. These sites have achieved popularity amongst sellers and buyers with Etsy.com hosting over 100,000 sellers worldwide since its launch in 2005 (Etsy). The demand for unique and affordable pieces opens up a new opportunity for young Asian designers to start small and test the market for their products.

Although brands are still recognized and sought after, fashion consumers are more inclined to mix high-end statement pieces with non-branded goods. They are no longer as brand loyal as before and are willing to try new brands that come to market. The consumer's desire to possess fashionable clothing at affordable prices can be seen in the international success of fast-fashion stores that imitate trends on the major fashion runways. Successful stores like H&M, Zara, Forever 21 and Topshop produce and restock trendy clothing at an incredibly fast pace.

The success of capsule collections by noted fashion designers for lower-end department stores further signals this trend. These capsule collections are made with cheaper fabrics and sold for lower prices than regular designer collections while offering a varied product range. Examples of these include Kate Moss for Topshop, Karl Lagerfeld for H&M and Vera Wang for Target. These changes in consumer behavior and tastes may lower the entry barrier for new and smaller players into the market and create new potential niches for these designers and brands.

(b) Proliferation of the Internet

The proliferation of the internet provides consumers with easy access to information about new styles and trends around the world and allows sellers easy access to potential customers. In addition, the rise and popularity of personal and fashion blogs have created new channels for word of mouth. These blogs showcase new designers and stylists, follow street trends in various countries and greatly lowers the entry barriers to anyone looking to sell their creative products.

Although the Internet and websites have been around for some time, innovative ways of marketing online continue to exist. Fashion companies such as Chanel have taken notice of the large following of readers of popular fashion blogs and have sought to utilize this form of media. The firm recently invited popular fashion blog-writers from various cities such as London and Singapore on a trip to its Parisian headquarters in return for blog posts[3]. This gave the company an opportunity to reinforce its brand amongst numerous avid fashion followers around the world.

Moreover, the internet provides a company with a platform to extend its brand experience. Fashion companies ranging from Dolce and Gabbana to Kate Spade to American Eagle possess websites that offer a range of free items and activities from free desktop

---

[3] Thirteen site authors were invited to visit Chanel in Paris and these sites include www.coolhunting.com, stylebubble.typepad.com, www.notcot.com, and www.fashionisspinach.com.

wallpapers to new music artiste's mp3 downloads. Although not all consumers are likely to use the internet to purchase apparel directly, they are likely to use it as a channel to derive more information and extend their experience (Ha and Stoel, 2004). It has been shown that multi-channel shoppers often buy more than single-channel shoppers (Ha and Stoel, 2004).

Luxury companies who were previously wary of eroding their exclusivity by selling online have recently begun to develop e-commerce capabilities to woo international clients. These include brands such as Gucci, Prada and Armani. Studies have shown that most of the wealthy are connected to the internet and are satisfied with making online purchases (Okonkwo, 2005).

In fact, e-commerce is well-incorporated in many advanced Asian countries such as South Korea, which has the world's highest level of digital penetration (Okonkwo, 2005). The relative ease of building websites or posting blogs online suggests new opportunities for new designers to reach a larger audience in order to build their brand and market their products.

(c) Development of global sourcing

With the advent of global sourcing and reduced transportation costs, we may find that manufactured products today have their origins in various countries. Fabric, supplies and manufacturing may be sourced from different countries and lead to efficiencies such as lower costs, increased capacity and access to resources that are not available locally. However, global sourcing bears disadvantages such as longer lead times, difficulty in quality control and the higher risk associated with conducting manufacturing operations in less developed countries.

In fashion, industrial fashion products manufactured in developing countries such as China have become commonplace. However, luxury brands such as Celine, Prada and Gucci have started to experience increasing labor costs and competition from less expensive brands. As

a result, these companies have been gradually shifting production of certain items from Italy to lower cost countries such as China and Eastern Europe (Galloni, 2005). In order to maintain the prestige of such products, the "Made in China" label is often hidden or replaced (Thomas, 2007). Some companies resort to having 90% of their production in developing countries with finishing touches made in Italy in order to assert that the product was "Made in Italy" (Thomas, 2007). Despite these shifts in production, consumers continue to relate luxury goods with fine Italian craftsmanship or French luxury with few realizing the actual country of production.

This has led to another phenomenon where product perceptions are no longer heavily influenced by country-of-origin effects as the source of the product cannot be accurately determined. As a result, Lim and O'Cass (2001) suggest that consumers classify products by their *culture*-of-origin instead. For example, consumers perceived the Volkswagen Fox positively due to its image of quality engineering with German origins despite the fact that the car was manufactured in Brazil (Lim & O'Cass, 2001).

The culture-of-origin effect suggests that Asian fashion companies can associate themselves with another key fashion city through brand name and marketing. Many companies have successfully implemented this strategy and appealed to Asians with a penchant for foreign brands. A fine example would be Samantha Thavasa from Japan in which its brand name, pricing strategy and American celebrity endorsements by Beyonce and the Hilton sisters contribute to its image of an exclusive Western brand.

Although the association with a Western culture may enable success for a home-grown brand, it further emphasizes the superiority of the Western brand image and perhaps does not aid in strengthening the local country's brand image in the future. This necessarily fuels the cycle in

disassociating with a local country – a trend that has to be discouraged in order to propel future local brand talents.

(d) Climate changes

In recent years, changes in climate have affected seasonal cycles of fashion purchases. While winter collections are traditionally stocked in retail stores by July, demand for warm clothing has been postponed to much later in the year in response to temperature changes. Recognizing this change in seasonal patterns, many major designers have begun to show spring-influenced designs in multiple layers in their fall and winter collections instead (Tan, 2008). This suggests an additional opportunity for buyer purchases from Asian labels based in tropical countries such as Thailand, India and Singapore. Furthermore, in order for companies to adapt to unpredictable weather changes such as warmer winters, a greater flexibility in apparel production and ordering is required.

The above four key changes of consumer behavior and tastes, proliferation of the internet, development of global sourcing and climate changes suggest ample opportunities for the establishment of future global fashion brands originating from newly industrialized Asian countries such as Hong Kong and Singapore. Interestingly, climate changes have begun to play a major role in predicting a company's success due to the flexibility required in production as well as the opening up of new opportunities to designers from tropical countries. Asian fashion companies which are able to take advantage of these changes will be well-poised to becoming successful in the global fashion arena.

III. Current position of Asian fashion designers and brands

At this juncture, we would like to analyze the current state of affairs in Asian fashion since this would have important implications for the future. Here, a few definitions are needed to preserve clarity. Internationally successful Asian designers are defined as those who were born and raised in an Asian country. They must market their own products, sell their merchandise in at least three countries and be recognized by the international fashion press. Internationally successful fashion brands are categorized as those which were originally established in an Asian country, market their own products and have merchandise for sale in at least three countries including their home country.

Crane (2000) suggests three categories of fashion that have come into play today: luxury fashion design, industrial design and street styles. These three categories will be used to examine Asian fashion companies. We will describe each category briefly before discussing the challenges faced by these companies and countries as a whole.

Luxury fashion design

Luxury fashion consists of haute couture fashion houses and the more innovative and higher-priced ready-to-wear brands (Crane, 2000). In this segment, the creative director and chief fashion designers are often scrutinized by the fashion press and consumers. These celebrity designers play an important role in the brand perception of the company. Due to the high prices, customers expect products of unique designs and high quality in material and workmanship. Hence, individual talent in design and quality in craftsmanship can be seen key factors of success.

A survey of renowned Asian companies suggests that most individual Asian designers have sought education abroad, established their fashion houses or presented their first collections

in major fashion capitals such as Paris and New York (see Appendix 1). Many of these designers originate from Japan with a very limited number from other countries such as Hong Kong, South Korea, Malaysia and Singapore. Shanghai Tang is one of the only Asian luxury brands established locally in Hong Kong.

Industrial fashion design

Industrial fashion includes fashion "created by manufacturers, which sell similar products to similar social groups in many different countries, as well as by smaller companies that confine themselves to a particular country or continent" (Crane, 2000). Agility in production and global sourcing play a major role in this category. Industrial fashion focuses less on celebrity designers and places more emphasis on the product and brand.

All of the Asian industrial fashion brands examined boast quality and style at affordable prices (see Appendix 2). Companies such as Giordano, G2000 and Uniqlo offer simple, classic clothing items instead of fast-fashion items as seen in the business models of Zara, Forever 21, H&M and Topshop. Most of these companies tend to concentrate their retail locations in surrounding Asian countries and the Middle East.

Street Styles

Street styles are those that are established by "urban subcultures or style tribes" (Crane, 2000). These styles are spontaneously formed by subcultures in which items are mixed to produce a unique statement. In the 1990s, Tokyo became known for constant innovation in street styles. Young Japanese avidly participated in fashion that appeared on the street which was quickly manufactured and sold by small producers. A new breed of Japanese fashion magazines

and newspapers were started in the mid-1990s to report on the latest fashion trends seen on the streets (Kawamura, 2006).

Today, these styles are further documented in photographs on blogs and websites that are accessible to international audiences. Due to the vast diversity of styles, photographs are categorized by the area of Tokyo in which the trend was found. Trend watchers and designers often flock to Japan to get an inspiration and insight on upcoming fashion trends. Japanese fashion also has an influence on fashion trends in other Asian countries and are often very different from the typical styles seen in London or New York.

The transient, unpredictable and fast-paced nature of fashion fads on the street has altered the way these clothes are manufactured. The limited flexibility and longer lead times of typical offshore supply chains and the high costs of domestic manufacturing create the need for a new form of production. This has resulted in the cooperation between Japanese retailers and Korean manufacturer in building the capabilities of producing fast fashion (Azuma, 2002). This system, known as "pronto moda", is used to produce ready-to-wear collections geared towards fast-changing tastes (Galbraith, 2002). This system creates a viable niche in Asia and synergies created between Korea and Japan can be built on and replicated in other Asian cities looking to cope with the shorter life cycles of fashion products.

IV. Analysis of challenges

To date, many Asian countries have not reached the level of Japan in establishing an identity in the fashion world. There have been few Asian fashion brands that have achieved global success. In Interbrand's list of the top 100 global brands in 2007, none of the 17 fashion luxury companies listed were of Asian origin (Interbrand, 2007). Although countries such as Hong Kong and Singapore are developed economically, they continue to face challenges that

prevent fashion businesses and local trends from becoming successful internationally. This predicament is influenced by both country and company factors.

Company challenges

(a) Unfavorable management style

A survey of Southeast Asian marketing experts undertaken by Ewing, Napoli and Pitt (2001) suggest that the absence of successful global brands can be attributed to the management's lack of focus and insufficient marketing efforts. They posit that most Southeast Asian companies do not envision themselves as global companies and maintain a highly local or regional approach to their businesses.

The expansion style of Asian industrial fashion companies into the region and the Middle East suggest a traditional managerial perspective according to Ewing, Napoli and Pitt (2001). These companies opt to establish their brand locally before expanding overseas. This allows them to develop the relevant skills and expertise in a less risky environment. These firms first expand into the more familiar regional marketplace and later into other markets in an attempt to build a global brand. All of the industrial fashion companies examined have established themselves in surrounding countries in Asia and the Middle East and only some of them such as Uniqlo and Giordano have began attempts to open outlets in North America and Europe.

Asian brands are not necessarily inferior to Western brands. However, Ewing et al (2001) suggest that the main inhibiting factor in developing global brands is the belief among Southeast Asian entrepreneurs that they are incapable of competing against well-established Western or Japanese multinationals. This translates into a lack of commitment to tackle global markets – a serious problem that has to be overcome.

<u>(b) Product Design</u>

Successful Asian industrial fashion companies mainly offer basic designs that are stylish and affordable. Classic and affordable products afford a mass appeal regardless of a country's level of development in Asia as opposed to having to appeal to niche segments in developed fashion markets. These firms may have a higher probability of success in foreign markets as they rely less on fashion trends that may differ in various regions. On the other hand, the popularity of international stores such as Zara, H&M, Forever 21 and Topshop suggest the prospect of following a fast fashion model for global success. Due to the shortening life cycle of fashion apparel, it is important to stay in touch with the target customer's tastes and be able to organize the production system efficiently.

In luxury fashion design, many of the Japanese designers that became successful in the 1980s and in the present all carried a distinctively different style that rebelled against the trends of the time. These different styles captured the attention of the press and gave the international fashion scene a fresh perspective on clothing. Successful fashion designers are often required to push the boundaries to present a strong showing each season. It is important that local Asian designers find an identity that will carry them forward instead of basing designs off current Western trends. Designers who are able to use original influences in their design aesthetics may often use this to their advantage.

Country challenges

<u>(a) Negative impacts of country-of-origin influence</u>

The country-of-origin (COO) effect is a variable used by consumers to evaluate products in a market of international goods. Studies on this effect have shown that products from developed countries are perceived as superior to products from underdeveloped and developing

countries while products from emerging economies tend to be evaluated negatively (Lim and O'Cass, 2001). As many Asian countries were traditionally involved in manufacturing, the images of low-cost production, imitation goods and low quality taint their brand image. These effects pose serious disadvantages to Asian fashion brands competing both locally and abroad. New local entrants will face tough domestic competition with foreign brands and increased barriers of entry to foreign developed markets.

Domestic competition with foreign brands

In many Asian countries, local brands find themselves having to compete with international fashion brands. International luxury fashion brands such as Hermes and Gucci are well-known throughout the world and consumers are likely to have prior knowledge of these brands. The reputation of these fashion brands and the positive brand identity lent to it by the key fashion capitals they originate from confer further benefits to the international brand over the local brand.

Additionally, these brands bring with them a larger budget for marketing, retail locations and economies of scale – attributes that local start-ups with small budgets may find difficult to compete with. These local start-ups often lack economies of scale and produce pieces that are of the same quality but of an equivalent or higher price range compared to established international fashion houses. As local start-ups often lack the branding that foreign fashion houses carry, consumers tend to prefer established foreign brands when spending a larger amount of money on apparel (Hwang, 2002).

Despite country-of-origin studies that suggest consumers tend to prefer local products to imported products, a study carried out in Singapore by Lim and O'Cass (2002) suggests that this

factor might not be that strong in the apparel industry in Singapore. This may be suggestive of consumer perceptions in other Asian countries as well.

Increased barriers of entry abroad

Asian brands also face a second bias upon entering Western markets due to a country-of-origin bias against their country. Many aspiring fashion designers aim to show their collections in a key fashion capital in order to catapult their business. However, entry to such highly coveted shows is not easy. The British fashion council initially rejected two applications by Ashley Isham – now a reputed designer based in the UK – to show in London Fashion Week. This rejection was influenced by his origin from Singapore, a country which has produced very few international designers (Kolesnikov, 2005). Another Singaporean native Jo Soh, based her business out of Australia in hope that it will act as a springboard to one of the key fashion capitals (Kolesnikov, 2005). Although Asian fashion designers can start their businesses in larger and more developed fashion markets, the development of local Asian markets into natural springboards would be ideal for both local designers and the country itself.

(b) Local market conditions

The fact that fashion is both a business and an art-form often requires a delicate balance in pursuing an aesthetic and having a market to cater to. Countries with small market sizes or tastes that may not cater to international consumers often present designers with this challenge. Some designers find that in order to survive, products are often catered solely to the domestic market which may either direct their designs into being too conservative or too localized for an international market. In Indonesia, styles that are popular amongst local consumers are vastly different from those that are prevalent in the international fashion scene. Brown claims that

Indonesians equate fashion with money rather than style. As a result, looks that are popular often consist of "pasty white skin, head-to-toe designer apparel and big bouffant hairdos", ones that may not find acceptance in the fashion cities of Milan and Paris (Brown). In addition, some countries lack the four seasons and it is unreasonable to expect these locally-based designers to design clothes for a market abroad in order to expand internationally.

(c) Counterfeiting

The prolific activity of counterfeiters in Asia poses challenges to both fashion brands entering Asian markets and local fashion start-ups. Counterfeit products have an effect on consumer confidence in established brands, erode brand equity and can cause loss of revenues (Bian and Veloutsou, 2007). As little government regulation has been implemented to enforce the intellectual property rights of fashion brands, large companies often find themselves having to regulate piracy themselves. This then further increases a company's costs in trying to prevent copyright infringements.

Although only developed brands that are highly visible, exclusive and well-liked will be counterfeited (Bian and Veloutsou, 2007), these are not the only companies at risk in a culture that does not respect intellectual property rights. As fashion designs are easily replicated, fashion talents with small scale operations may find their unique designs being used without credit. As most intellectual property rights are created with regard to functionality and not design (Chan et al, 2004), it is difficult to prevent the misuse of designs. Furthermore, there are no rules that define the imitation of designs since a simple change of color or use of buttons may result in a style that can be argued as different.

Moreover, as technology and production capabilities improve over time, it is increasingly difficult to distinguish original products from remarkable imitations. In fact, the local Chinese

22

preference for purchasing luxury goods overseas is largely influenced by the guarantee that the goods bought are not counterfeit (KPMG, 2006). As such, the widespread availability and acceptance of counterfeit products in Asia may not bode well for future brands and consumers.

V. Competitive strategies for Asian apparel industries

As mentioned earlier, the three competitive factors of global brand, global sourcing and agility (Jin, 2004) are important in establishing a successful global Asian fashion brand. We will focus on two critical factors for a company to develop a global brand based on the examination of local Asian fashion companies. These two factors consist of (a) a management focus on thinking 'global' and (b) production differentiation.

Company factors

The lack of successful global fashion brands can be partly attributed to the characteristics of existing Asian fashion companies. As we pointed out earlier, some of these companies place little emphasis on the value of designers whilst others choose to expand throughout Asia and the Middle East. Companies need to alter their approaches in order to be successful globally.

(a) Thinking 'global'

In order to be an effective global competitor, Ewing et al (2001) assert that a company must envision itself as global from the very start and plan its strategies around this goal. The traditional approach of a short-term focus on sales and market share together with a more conservative, family-oriented leadership approach hamper the development of global brands. This insight is supported by the observation of many Southeast Asian industrial fashion brands focusing on regional expansion and affordability of designs.

In developing an expansion strategy, Ewing et al (2001) suggest a modern management style for younger managers. This involves forming strategic alliances to gain knowledge and skills in marketing and distribution, access to a sizeable consumer base and the resources and expertise in developing a global image. Companies should try to find synergies with global players. This will aid in reducing the apparent risks involved in going global.

(b) Product differentiation

In order to differentiate their brands in the global marketplace, companies should innovate instead of imitating existing products and strategies. Fashion companies have to develop a niche in an already crowded marketplace while keeping international fashion followers in mind. For example, in the already saturated jeans market, Japanese brand Evisu started creating jeans from old-fashioned looms. These vintage jeans give the wearer a unique fit and a vintage feel compared to modern jeans that are made from power looms (Trends, 2005). These jeans products first became popular in Japan and are now sought-after worldwide.

To facilitate the development of niche branding and unique design concepts, companies from a garment manufacturing background have to learn to place more value in designers and be willing to take some risks. These designers could build on the unique resources and inspiration provided by the local environment while remaining aware of local and international demands. Business managers have to remove themselves from the mindset that a designer is solely instrumental. In developing these new mindsets, companies can then start to achieve competitiveness with regional and international fashion brands.

However, developing a company's global brand, global sourcing and agility alone will be insufficient in producing a local fashion industry that will generate numerous global fashion brands in the likes of France, Italy and America. We propose that the related infrastructure and

resources in a country are vital in propagating the growth of more potential global fashion companies. Other than the efforts required by companies, the improvement in each Asian country's infrastructure is equally important in contributing to the success potential of homegrown fashion companies.

Country factors

Based on the examination of challenges faced by various Asian designers and companies, we propose a few key areas of focus. These include education, resources and inspiration, promoting luxury culture and developing a country's brand image in the fashion arena. These areas are important in generating the critical mass of designers as well as to generate demand in the domestic and international market for these homegrown brands.

Education

Many successful Asian designers have typically sought education in key fashion capitals. Here, fashion schools are well established and opportunities to apprentice under an established designer are widespread. Working in a fashion house or under experienced designers provide the aspiring designer with the experience of running a fashion business both creatively and practically.

Education in fashion capitals may also be sought as the brand name of schools – such as the Parsons School of Design in New York and Central St. Martins in London – would provide designers a springboard into the industry. The location of these schools in major fashion capitals allow for a greater opportunity for internships and learning. Additionally, these schools have a vast number of successful alumni and a proven track record.

Thus, domestic fashion education institutions should seek to improve the opportunities for learning through the variety of degree programs available and the chances for internships. They should further focus on branding as its graduates will benefit from their reputation in global markets. Successful established designers in the future will be able to mentor new interns and generate more potential successes in the marketplace. The government needs to put in place a system of incentives to ensure that this takes place.

<u>Resources</u>

Tyler, Heeley and Bhamra (2006) have identified seven requirements which significantly influence new product development in fashion: fabric trade shows, fabric availability, "forecasting, late-stage product changes, geographical proximity to markets, fashion trends and inventory." Fashion capitals such as New York, London and Paris provide designers with access to these important resources such as fabric trade shows and proximity to a large, mature market and the origins of many fashion trends. These cities allow for different experiences that serve as designers' inspiration for their collections as noted by many individuals in the creative industries.

In order to propel its own talent into the international scene, Asian countries will have to focus on providing creative talent with the appropriate training, apprenticeships and resources. As forecasting and fashion trends can be obtained relatively easily from international sources online, other requirements should be focused on first. Fabric trade shows are essential in providing local designers access to fabric and information about coming color trends which form the basis of a collection. Countries should aim to attract regional and international textile manufacturers to their trade shows in improving the resources that local designers have access to.

<u>Promoting a culture of luxury</u>

As many newly industrialized countries are getting acquainted with higher purchasing powers, the ability to appreciate a luxury lifestyle has to be nurtured. This culture is essential to the sustainable success of a luxury brand in countries such as China where much of the nation continues to live in poverty. This culture can be created through fashion shows, special events and other public relations efforts by luxury companies, giving ample opportunities to Chinese customers to practice their taste for a luxury lifestyle and build emotional connections with the brands (KPMG, 2006).

The importance of Country-Company branding

As seen in the case of French and Italian fashion goods earlier, a country's positive brand image in the fashion industry can confer and perpetuate a positive brand image to a fashion company. In addition, by producing many successful fashion brands, a country's brand image is further enhanced. This cycle of product-country branding is likely to be important in establishing the next fashion capital in Asia.

In examining Southeast Asian brands, Ewing, Napoli and Pitt (2001) take into account the influence between brand and country image and suggest a model for situations that Southeast Asian companies may face. These brands are categorized into fighters, winners, losers and sustainers.

Figure 1: Challenges for Southeast Asian Firms (Ewing et al, 2001)

COUNTRY IMAGE

	Negative	*Positive*
BRAND IMAGE *Positive*	**Fighters**	**Winners**
BRAND IMAGE *Negative*	**Losers**	**Sustainers**

In Figure 1, the most favorable position is the *Winners* quadrant where both brand and country experience positive images. Ewing et al (2001) draw attention to the absence of physical goods from this quadrant despite developed manufacturing industries in Asia. *Fighter* brands have a reasonable probability of success in the marketplace, but companies may distance themselves from their country of origin in order to relinquish the negative influence of a country's image on the brand. *Sustainer* brands utilize country image to enhance their own brand image. However, this may not be practical in sustaining a company in the long run if the product does not live up to consumer expectations. In addition, the poor performance of the Sustainer brand may even harm the country's originally positive image. Brands in the *Loser*s quadrant may not be able to compete globally unless they strive to move to the Fighters quadrant by modifying their brand image or disassociating themselves from their country of origin.

The relatively negative country image of Asian countries vis-à-vis Western ones leaves Asian fashion designers and companies in either the Fighter or the Loser categories. When Fighter brands disassociate themselves with their country of origin and achieve success in the global marketplace, countries are not able to enjoy the branding benefits that these brands may confer to them. This however is unsustainable in the long run if these Asian countries want to

continue to produce future fashion talents and brands. In order to prevent this situation and to ultimately develop Winner brands, countries must strive to improve their brand image whilst simultaneously encouraging the branding of local companies within the fashion industry. Developing a strong brand image in fashion will give rise to an important competitive advantage for Asian countries.

Recommended Strategies for Country-Company branding

In order to gain advantages from the cycle of positive country-company branding, certain synergies have to be developed. These involve (a) elevating the status of the domestic fashion industry and (b) developing local talent. These are efforts that will require the cooperation of both government and private companies.

(a) Elevating the status of the domestic fashion industry

The local fashion industry and its designers and brands should be promoted both locally and internationally. The improved status of the local fashion industry will serve various benefits. Domestically, it can influence local Asian cultures into viewing the career of a fashion designer positively. Garment manufacturers should also be encouraged to realize the importance of design talent and allow hired designers to enjoy more creative freedom and the support of a design team. Internationally, the heightened status of a country's fashion industry will confer a positive image onto homegrown brands looking to expand overseas. Furthermore, a positive country image will garner greater media attention and allow the local industry to develop tradeshows with quality participants. In order to elevate the status of the local fashion industry, both events and the media should be utilized.

<u>Events</u>

One of the most important marketing events for a country's fashion talents is its Fashion Week. Fashion Weeks improve or reinforce a country's image as stylish and trendy, provide a platform for local designers to showcase their collections, and increase tourism dollars as shoppers come in. The key fashion capitals offer the most publicity for designers showcasing during Fashion Week. Various media channels such as television programs, magazines, newspapers and websites publicize the different collections and designers participating in key fashion shows. Realizing the potential of fashion weeks, various Asian countries such as Hong Kong, Thailand, India and Singapore have established Fashion Weeks in which local, regional and international designers are showcased. International buyers have taken notice of the vast assortment of fashion offerings in Asia. While maintaining focus on the major Fashion Weeks, buyers are increasingly looking to other sources for fresh designs products. Hence, it is important to market a country's Fashion Week to the international press and to use this opportunity to showcase more exemplary local designers instead of the usual international brands. As the competition between Fashion Weeks in Asia become stronger, it is important for each country to distinguish itself. This can be done through various media channels and other complementary events and promotions.

<u>Media</u>

The media plays a critical role in improving the status and image of local designers and brands both domestically and internationally. Various media channels such as the internet, television programs, magazines and movies can be used to improve a country's image in the fashion industry.

The internet and local magazines afford local designers an opportunity to showcase their products. Concerted attempts to promote local fashion can be established. For example, in an innovative attempt on the internet, the Textile and Fashion Federation of Singapore collaborated with eBay Singapore in creating a micro-site where Singaporean designs from Singapore Fashion Week would be sold (PR Leap, 2007). Furthermore, many magazines in Asia tend to report on trends for fashion capital and little attention is given to local brands. It would be ideal for local magazines to provide the much needed coverage for domestic brands in order to aid the growth of local fashion talents.

Increasingly, fashion blogs, books and magazines that document street trends in various countries are surfacing. Each fashion blog has a regular following of readers from around the world and serve to enlighten and inspire readers as to the new fashion trends happening on the streets. Similarly, the popularity of Japanese and Korean music bands, movies and television dramas has heavily influenced fashion trends in other parts of Asia. Other Asian countries can follow suit in using cultural products to further extend the promotion of its fashion industry. The media should thus be conscious of its ability to improve both country and company brand images in the fashion scene and efforts should be made to utilize these opportunities.

In summary, both private companies and the government need to utilize events and the media in order to promote the local fashion industry. By doing so, the status of the industry will improve, thus conferring the benefits of country-company branding in the future.

(b) Developing local talent

To perpetuate the generation of new design talents and brands, the availability of local apprenticeships needs to be increased. Current successful Asian brands need to see the importance in developing and grooming the next generation of talent. Instead of having to go

overseas to develop the necessary skills and knowledge to run a successful fashion business, local talents will benefit from the expertise available at home. In addition, the government and related institutions should build on programs that allow companies and individual talents to learn best practices from abroad. This will further enable local talent to develop the necessary resources to succeed.

VI. Conclusions and Implications

This paper raises important issues that have to be addressed in developing Asian global fashion brands. As the fashion industry in Asia may not be as developed as its consumer electronics or service industries, more needs to be done in order to build strong global fashion brands. We believe that both country factors and company factors matter. Improving country factors such as the availability of quality fashion education and resources, and the establishment and promotion of fashion events through the media will increase the pool of local talent and support their potential. The continued emphasis of a company on marketing and branding will further aid success both locally and globally.

The interdependent strategies employed by country and company will achieve certain synergies that will be useful to future generations of fashion talent. As home-grown fashion talents begin to gain success locally and internationally, the status of fashion designers in the Asian society may increase in value. In addition, an increase in demand for fashion degrees would allow local fashion schools to develop degrees of higher status which will in turn produce graduates of better standards. The availability of more successful fashion talents will also increase the opportunity of learning for aspiring local designers which will result in a better quality pool of designers domestically.

Although research involving many newly industrialized countries has been rather general, these findings may be applicable to various countries and companies alike. In order to compete effectively in the fashion industry today, these Asian countries have to realize that both government and company need mindset changes in order to create the next global fashion brand and establish the next fashion capital. With the infrastructure in place, the positive externalities on the domestic fashion industry will be immense.

Appendices

Appendix 1: A Survey of Asian Luxury Brands

- **Shanghai Tang** was established in 1994 in Hong Kong. The Chinese luxury brand touts designs that fuse Chinese culture with modern sensibilities and has flagship stores in the major fashion centers such as Paris, London and New York amongst others.

- **Hanae Mori** established her studio for cinema costume design in Tokyo in 1951. In 1965, she showcased her first fashion collection in New York in which many major American department stores took to[4]. She later opened two boutiques in the city and showed her collections in other fashion capitals.

- **Takada Kenzo** was a Japanese designer who moved to Paris in 1964 soon after his graduation from Bunka Fashion College, Tokyo[5]. The House of Kenzo was opened in 1970. Kenzo carved a name in the couture world through his fresh and original designs. "In 1993, the House joined the luxury group LVMH and Takada left the House in 1999" (www.kenzo.com) Today, Kenzo products can be found in numerous stores all around the world.

- **Rei Kawakubo** founded Comme des Garcons Co., Ltd in Tokyo in 1973. Kawakubo then moved to Paris in 1975 to present her fashion lines and open up her first boutique[6]. Her first Paris fashion show in 1981 contrasted with popular trends at the time and her innovative and

---

[4] http://www.hanaemori-foundation.or.jp/en/biography.html
[5] http://www.japan-zone.com/modern/takada_kenzo.shtml
[6] http://www.infomat.com/whoswho/reikawakubo.html

rebellious styles garnered international attention[7]. Today, Comme des Garcon merchandise is sold in select boutiques in Paris, London, New York and Tokyo.

- **Junya Watanabe** graduated from Bunka Fashion College in Tokyo and worked under the apprenticeship of Rei Kawakubo under the Comme Des Garcons label. He then started to design under his own name whilst continuing to work for Comme Des Garcons. In 1993, Watanabe moved his fashion shows to Paris and has close to fifty retail outlets around the world[8].

- **Yohji Yamamoto** graduated from Keio University, Tokyo and created his first collection in the 1970s in Tokyo. In 1981, he presented the first Yohji Yamamoto line in Paris which captured the attention of the media around the world. His collections are available in France, Belgium, Italy, Germany, United States, United Kingdom, Tokyo and others. [9]

- **Issey Miyake** started the Miyake Design Studio in Japan in 1970 before showing his first collection in Paris in 1973. Since then, Miyake has shot to fame and is known for combining design and technology which can be seen in projects such as Pleats Please and A-POC (A Piece of Cloth).[10] Issey Miyake fashion products can be found in cities such as Tokyo, Paris, New York and London.

---

[7] http://www.japan-zone.com/modern/kawakubo_rei.shtml
[8] http://tribes.tribe.net/ef0e1b20-4324-42a9-9858-e46720d31a44/thread/83112f10-e5bf-428b-9b00-4fa6ae73c48f
[9] http://www.infomat.com/whoswho/yohjiyamamoto.html
[10] http://www.infomat.com/whoswho/isseymiyake.html

- **Vivienne Tam** was born in Canton, China but grew up in Hong Kong from the age of three. Graduating from Hong Kong Polytechnic University, Vivienne moved to New York and shot to fame with her collection in 1994[11]. Vivienne Tam designs fuse Eastern and Western influences into a contemporary collection. Her products have a strong presence in North America and are sold worldwide in countries such as Brazil, Japan, China, Germany, the United Kingdom and many others.

- **Zang Toi** left his hometown in Malaysia at eighteen to study at the Parsons School of Design in New York[12]. He then opened his own atelier in 1989. Zang Toi's brilliant use of tropical colors of Asia on the runway caught the attention of the fashion elite, marking the start of his success in the world of fashion[13]. His clothes are sold in specialty stores in America as well as Malaysia and many other countries.

- **Andrew Gn**, a Singaporean native, moved to Paris XX. In 1997, he was the first Asian to head a French couture house as the artistic director of the House of Balmain's ready-to-wear and accessories collection[14]. Although this collection was not well-received, his following solo collections have earned him the respect of the fashion elite around the world.

- **Ashley Isham** was originally from Singapore and left for Middlesex University, London to study fashion in 1996[15]. Ashley debuted his first collection in 2000 at London Fashion Week

---

[11] http://www.viviennetam.com/
[12] http://www.infomat.com/whoswho/zangtoi.html
[13] http://www.fashionwindows.com/fashion/zang_toi/default.asp
[14] http://nymag.com/fashion/fashionshows/designers/bios/andrewgn/
[15] http://www.ashleyisham.com/default.asp?pageid=2479

and has continued to present his collections there ever since. Today his collections can be found in boutiques in the United Kingdom, Russia, China, the Middle East and Singapore.

- **Dorian Ho** is a designer from Hong Kong who studied marketing in Boston University. Upon his return to Hong Kong in 1993, he created the Doriano brand for China after an internship at Country Road. In 2001, his high-end Dorian Ho Collection was presented at the Mercedes Australian Fashion Week in Sydney and at Seventh on Sixth in New York[16]. "I made my niche evening gowns because it is dominated by European names when Asians also have a winning formula for nights out which is dazzling feminine and alluring," he said.

- **Jimmy Choo** came from a family of shoemakers in Malaysia and attended Cordwainer's Technical College in London and the London College of Fashion[17]. The couture shoe company, Jimmy Choo, was founded in 1996. Partnering with Tamara Mellon, an accessories editor at Vogue UK, Choo expanded the company to include ready-to-wear collections sourced from Italy[18]. The company has developed a very loyal fashion following amongst celebrities and the elite.

- **Yeohlee** Teng left Malaysia for an education at the Parsons School of Design in New York[19]. In 1981, Yeohlee Inc. was founded and has steadily grown to the fashion house it is today. Stores are located in New York, Toronto, Vancouver and Hong Kong[20].

---

[16] http://www.dorianohk.com/dorianho/
[17] http://www.historyofashion.com/historyofashion/shoechoo.html
[18] http://www.jimmychoo.com/pws/EditorialContent.ice?page=TheStory1
[19] http://www.yeohlee.com/profiles.html
[20] http://www.yeohlee.com/stores.html

- **Wenlan Chia** was educated at the esteemed Taiwan University before coming to New York for an education in art history and needlepoint at New York University and the Fashion Institute of Technology respectively[21]. Her company, Twinkle, was launched in 2000 which features creative knitted designs. The collection is sold in over 120 locations in the United States, Canada, Europe, Japan and many others.

---

[21] http://www.twinklebywenlan.com/twinkle_bio.html

Appendix 2: A Survey of Asian Industrial Fashion Brands

- **The Toppy Group** began in Hong Kong as a garment manufacturing company in 1973. Since the launch of its first label, Jessica, in 1976, Toppy has established itself in over 300 stores across the world through its 5 brands – Episode, Jessica, Episode Studio, Colour Eighteen and Weekend Workshop. These brands boast quality clothing at affordable prices and consist of locations solely in Asia with the exception of Jessica which as a strong presence in the United Kingdom and Ireland where the brand was renamed to Jesire. The group fully owns and manages its manufacturing, warehousing and distribution process.

- **Charles & Keith** is a footwear store that sells reasonably priced shoes and accessories styled with the latest trends. Originating from Singapore in 1996, the store has steadily spread its presence to 177 locations in 22 countries over the past 12 years.

- **Raoul** was established by the F J Benjamin group in 2002 in Singapore. The brand was originally founded to appeal to men with high quality fabrics and well-tailored shirts at affordable prices. Today, the brand expanded to include women's clothing and accessories and has store locations in Singapore, Malaysia, Indonesia, Thailand, Dubai and Bahrain.

- **Uniqlo** is a brand under the Fast Retailing Group in Japan and was established in Hiroshima in 1984, expanding to over 760 locations worldwide. With 500 locations in Japan itself, the remaining locations can be found in the United Kingdom, the United States, China and South Korea. The brand carries clothing basics at reasonable prices, similar to GAP stores from the United States.

- **The G2000 group** was founded in 1980 as a distribution agent for Brittania jeans and casual wear in Asia[22]. The company then developed into a vertically integrated garment company with the introduction of its first label, G2000, in 1985. Today, the company consists of various labels such as G2000, G2000 Pink, G2 blu and G2 Black Label. The company emphasizes quality and fashion with a mass appeal at affordable prices. The group has over 800 outlets in the region in countries such as China, Singapore, Malaysia, Thailand, Indonesia, Philippines and other countries in the Middle East.

- **The Giordano group** began as a clothing manufacturer and has established four brands – Giordano, Giordano Ladies, Giordano Junior and Bluestar – in over 1,700 stores in the Asia-Pacific and Middle East regions. The group focuses on quality, value and service. The company continues to maintain its apparel manufacturing division which supplies its own requirements as well as third party products[23].

- **Bods & Bodynits** was launched in 1984 in Singapore as a fitness line. The label specializes in knitwear, including swimwear and gym wear, in stylish cuts and affordable prices. The brand is available in Singapore, Malaysia, China and Canada[24].

---

[22] http://www.g2000.com.hk/corp/ag/
[23] http://www.giordano.com.hk/web/HK/investors/investors.html
[24] http://bods.bodynits.com/about_us.html

References

Auty, S. and Elliott, R. (1998), "Fashion involvement, self-monitoring and the meaning of brands", *Journal of Product & Brand Management*, Vol. 7 No. 2, pp109-123.

Azuma, N. (2002), "Pronto Moda Tokyo-Style – Emergence of Collection-Free Street Fashion in Tokyo and the Seoul-Tokyo fashion connection", *International Journal of Retail & Distribution Management*, Vol. 30 No. 3, pp137-144.

Bian, X. and Veloutsou, C. (2007), "Consumers' attitudes regarding non-deceptive counterfeit brands in the UK and China", *Journal of Brand Management*, Vol. 14 No. 3, pp211-223.

Brown, K., "Can local fashion designers look beyond these shores?", available at: www.thailandfashion.net/index.php?id=471 (accessed 10 February).

Chan, T.S., Chu, P.W., Lai, T.C., Tam, F.Y. and Wang, L.L. (2005), "Opportunities and challenges: Hong Kong as Asia's fashion hub", *Journal of Fashion Marketing and Management*, Vol. 9 No. 2, pp221-231.

Chen, S., Choi, C.J. and Hilton, B. (2004), "The ethics of counterfeiting in the fashion industry: quality, credence and profit issues", *Journal of Business Ethics*, Vol. 55, pp345-354.

Crane, D. (2000), *Fashion and Its Social Agendas*, University of Chicago Press, Chicago, IL

Decker, M. (2004), ""Knockouts of Knockoffs: The Global Implication of Fashion Piracy", 1 December, available at: http://www.philadelphiauniversity.net/schools/gs/news/documents/MelissaDecker.pdf (accessed 15 March)

Design Singapore, "Design Diplomas & Degree Programs", available at: http://www.designsingapore.org/RunScript.asp?page=82&p=ASP\Pg82.asp (accessed 3 April).

Emling, S. (2006), "Big 4 fashion weeks get new company", *International Herald Tribune*, 3
October, available at: http://www.iht.com/articles/2006/10/03/features/Rweeks.php
(accessed 9 February).

Etsy, "What is Etsy", available at: http://www.etsy.com/about.php (accessed 3 February).

Eubank, K. and Tortora, P. (2005), *Survey of Historic Costume*, 4th ed., Fairchild Publications,
Inc., New York, NY.

Ewing, M., Napoli, J. and Pitt, L. (2001), "Managing Southeast Asian Brands in the Global
Economy", *Business Horizons*, Vol 44 No. 3, pp52-58.

Fernie, J., Hallsworth, A. Moore, C. and Lawrie, A. (1997), "The internationalization of the high
fashion brand: the case of central London", *Journal of Product & Brand Management*,
Vol. 6 No. 3, pp151-162.

Galbraith, R. (2002), "Speedy delivery system a lucrative niche", International Herald Tribune,
28 September, available at: http://www.iht.com/articles/2002/09/28/rpronto_ed3_.php (accessed
3 February)

Galloni, A. (2005), "Breaking a Taboo, High Fashion Starts Making Goods Overseas", *Wall
Street Journal*, 27 September, available at:
http://online.wsj.com/article/SB112778111480452812.html (accessed 5 March)

Gereffi, G. (1999), "International trade and industrial upgrading in the apparel commodity
chain", *Journal of International Economics,* Vol. 48 No. 1, pp37-70.

Gereffi, G. (2002), "The International Competitiveness of Asian Economies in the Apparel
Commodity Chain", *Asian Development Bank*, February, available at:
http://www.adb.org/documents/ERD/Working_Papers/wp005.pdf (accessed 6 February).

GLM (2007), "Top 10 Fashion Capitals Named: Former backwaters emerge on global scene",

Global Language Monitor, 1 August, available at:

http://www.languagemonitor.com/Fashion.html (accessed 5 March)

Grunsven, L. and Smakman, F. (2002), "Competitive adjustment and advancement in global

commodity chains II: The case of the Singapore garment industry", *Singapore Journal of*

Tropical Geography, Vol. 23 No. 1, pp70-92.

Ha, Y. and Stoel, L. (2004), "Internet apparel shopping behaviors: the influence of general

innovativeness", *International Journal of Retail & Distribution Management*, Vol. 32

No. 8, pp377-385.

Heslop, L. and Papadopoulos, N. (2002), "Country equity and country branding: Problems and

prospects", *Brand Management*, Vol. 9 No. 4-5, pp294-314.

Hwang, J. (2002), "Between Two Extremes", *Taiwan Review*, 1 January, available at:

http://taiwanreview.nat.gov.tw/site/Tr/fp.asp?xItem=682&CtNode=119 (accessed 5

February).

Interbrand (2007), "Best Global Brands 2007 Report", available at:

http://www.ourfishbowl.com/images/surveys/Interbrand_BGB_2007.pdf (accessed 3

March).

Jin, B. (2004), "Apparel industry in East Asian newly industrialized countries", *Journal of*

Fashion Marketing and Management, Vol. 8 No. 2, pp230-244

Jin, B. and Moon, H. (2006), "The diamond approach to the competitiveness of Korea's apparel

industry: Michael Porter and beyond", *Journal of Fashion Marketing and Management*,

Vol. 10 No.2, pp195-208.

Kawamura, Y. (2006), "Japanese Teens as Producers of Street Fashion", *Current Sociology*, Vol.

54 No. 5, pp784-801.

Kolesnikov, S. (2005), "Young Singapore designers set sights on international runways",

    International Herald Tribune, 6 October, available at:

    http://www.iht.com/articles/2005/10/05/opinion/rsing.php (accessed 10 February).

KPMG (2006), "Luxury Brands in China", November, available at:

    http://www.kpmg.de/docs/Luxury_Brands_in_China.pdf (accessed 9 February).

Krick, J. (2000), "Charles Frederick Worth (1826-1895) and The House of Worth", October,

    available at: http://www.metmuseum.org/toah/hd/wrth/hd_wrth.htm (accessed 15

    February).

Lim, K. and O'Cass, A. (2001), "Consumer brand classifications: an assessment of culture-of-

    origin versus country-of-origin", *Journal of Product & Brand Management*, Vol. 10 No.

    2, pp120-136.

Lim, K. and O'Cass, A. (2002), "Toward Understanding the Young Consumer's Brand

    Associations and Ethnocentrism in the Lion's Port", *Psychology and Marketing*, Vol. 19

    No. 9, pp759-775.

Math (2006), "Teaching Math, Singapore Style", *The New York Times*, 18 September, available

    at: http://www.nytimes.com/2006/09/18/opinion/18mon2.html (accessed 3 April).

Miura, A. (2006), "Hanae Mori, Yohji Yamamoto, Issey Miyake & Rei Kawakubo", Time

    (Asia), 5 November, available at:

    http://www.time.com/time/asia/2006/heroes/bl_jap_designers.html (accessed 15

    January).

Okonkwo, U. (2005), "Can the Luxury fashion brand store atmosphere be transferred to the

Internet?", April, available at:

http://www.brandchannel.com/images/papers/269_Lux_Goods_Online.pdf (accessed 6

March).

Poon, J. (2001), "Encouraging Fashion Entrepreneurship in Singapore", *Asia Pacific Journal of*

Marketing and Logistics, Vol. 12 No. 1, pp72-83.

PR Leap (2007), "Singapore Fashion Goes Global", *PR Leap*, 7 October, available at:

http://www.prleap.com/pr/97129 (accessed 3 March).

Ray, P., Ida, M., Suh, C. and Rhaman, S. (2004), "Dynamic Capabilities of Japanese and Korean

Enterprises and the'Flying Geese' of International Competitiveness", *Asia Pacific*

Business Review, Vol. 10 No. 3 & 4, pp.463-484.

Roll, M. (2006), *Asian Brand Strategy: How Asia Builds Strong Brands*, Palgrave Macmillan,

New York, NY.

Smith, S. (1996), "Study Rates Singapore Best in Math, Science", 27 November, available at:

http://www.bc.edu/bc_org/rvp/pubaf/chronicle/v5/N27/timss.html (accessed 3 April).

Skov, L. (2002), "Hong Kong fashion designers as cultural intermediaries: Out of Global

Garment Production", *Cultural Studies*, Vol. 16 No. 4, pp553-569.

Tan, C. (2008), "The All-Weather Wardrobe: Climate Change Hits the Fall Season at New York

Fashion Week", *Wall Street Journal (Eastern Edition),* 2-3 Feb, pW7.

Thomas, D. (2007), "Made in China on the Sly", *The New York Times*, 23 November, available

at: http://www.nytimes.com/2007/11/23/opinion/23thomas.html (accessed 3 March).

Trends (2005), "Jeans from Japan: Denim Fans Love Evisu Brand's Vintage Look", 19 October,

available at: http://web-japan.org/trends/fashion/fas051019.html (accessed 2 February).